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September 7, 1993

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SEP 161993

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Mr. William Caton Acting Secretary Federal Communications Commission Room 222 1919 M Street, N.W. Washington, DC 20554

Re: Ex Parte Presentation GEN/Docket No. 90-314;

ET Docket No. **Serio**

Dear Mr. Caton:

This letter will advise you pursuant to Section 1.1206 of the Commission's rules, that Ron Cross, Ihor Nakonecznyj, and the undersigned of Northern Telecom met on September 1, 7, 8, 10 and 14, 1993, concerning the referenced subject matter with Dr. Tom Stanley, Dave Siddal, Paul Marrangoni, Julius Knapp, and Richard Engleman of OET; Commissioner Duggan, Randy Coleman, Linda Oliver of Commissioner Duggan's Office; Dr. Robert Pepper, David Reid, John Williams of OPP, Chairman Quello and Rudy Baca of the Chairman's staff, Commissioner Barrett, Byron Marchant and Jeff Hoagg of Commissioner Barrett's staff and Beverly Baker of the Private Radio Bureau.

In connection with these meetings, the attached material was either left with the meeting participants or has been forwarded to them subsequently. Four copies of the attachment are included.

The following points were discussed: Licensed PCS should accommodate national coalitions and alliances; a minimum of 30 MHz is required for licensed PCS; spectrum allocated for rural, small businesses and minorities should be placed between new PCS and cellular eligible spectrum allocations; the Commission's decision should enable viable competition to AT&T in view of its recently announced intended acquisition of McCaw. With regard to unlicensed PCS, NT believes that early deployment of non-nomadic systems is essential and that such deployment can be restricted to areas where interference to incumbents is not an issue. In addition, NT supports the spectrum etiquette adopted by WINForum.

Singerely yours,

Raymond L. Strassburger

Director, Government Relations - Telecommunications Policy

RLS/gj Attachment

No. of Ceptes rec'd_ List A B C D E

Chairman Quello CC:

Rudy Baca Commissioner Barrett

Byron Marchant

Jeff Hoagg
Commissioner Duggan
Randy Coleman
Linda Oliver

Dr. Tom Stanley
Dave Siddal

Paul Marrangoni

Julius Knapp
Richard Engleman
Dr. Robert Pepper
David Reid

John Williams

Beverly Baker



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Northern Telecom: a significant contributor to the FCC process

 participated in every stage of the Commission's proceedings on PCS beginning with the Notice of Inquiry in 1990

Northern Telecom's interest in PCS: equipment for all aspects of PCS

• as a leading US manufacturer of telecommunications equipment, Northern Telecom intends to provide equipment that will enable the provision of the broadest spectrum of PCS including voice, data, video and multimedia.



As stated in our reply comments, Northern Telecom supports national coalitions and alliances because they:

- Facilitate support of small business and minorities
- Can satisfy market demand for connected national service coverage
- Yield large market sizes and lower distribution costs which lead to lower consumer prices



Since the original PCS NOI, we have continued to maintain that a minimum of 30 MHz is required because of the:

- Revenue needed to payback the capital cost of infrastructure
- Necessity to generate revenue for band clearing
- Many services demanded by the market, including data, voice and multi-media.



To ensure economic viability of rural, small business and minority businesses, we recommend:



placing any spectrum specifically allocated for these purposes between new PCS and Cellular elligible spectrum allocations.

This is an enhancement to current staff proposals and will facilitate the formation of coalitions and alliances with either of these groups.



The Commission's decision should enable viable competition to the AT&T-McCaw conglomerate.

The AT&T-McCaw conglomerate has:

- -- physical infrastructure throughout much of the nation
- -- large revenue and subscriber base
- -- already has been given 25 MHz of spectrum
 - Difficult for new entrants to compete.



To help the new entrants to compete, the Commission should support:

- national coalitions and alliances
- adequate initial spectrum to generate revenue for spectrum clearing
- final amount of spectrum allocated comparable to that of AT&T-McCaw

This will aid new entrants in raising capital



- **Early deployment for non-nomadic systems is essential**
 - generates revenue for relocation of incumbents
 - satisfies pent-up demand for wireless communication systems

Deployment can be restricted to areas where interference to incumbents is not an issue



Northern Telecom supports the WINForum spectrum Etiquette

- adopted by hard-won industry compromise and consensus
- prefer to see section 4.1 clarified so that the 10/N rule clearly refers only to systems which divide access in time to support multiple links on a given frequency (TDMA).
- emphasize strong support for the WINForum segmentation of the isochronous band. Fixed segmentation ensures spectrum sharing, and minimizes the possibility of monopolization of spectrum by one technology or system.